

Privatizing Water Profits Over People

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“IF THE WARS OF THIS CENTURY were fought over oil, the wars of the next century will be fought over water.”¹ These words, spoken by the vice president of the World Bank, Ismael Serageldin, in 1995 have proven to be tragically prophetic. Wars over water are occurring with greater and greater frequency throughout our world. Water shortages in countries like India, China, Ghana, and Mexico have fueled conflicts, both verbal and physical. These conflicts are not confined to developing countries, either. In the United States, California, Arizona, and Nevada have long been engaged in water rights disputes over the Colorado River. Internationally the United States and Mexico have fought over rights to waters from rivers that border the two countries.

Vandana Shiva helpfully points out that these water wars are traditional—fought with guns and grenades, as well as paradigm wars—disagreements over how we perceive and experience water.² At the heart of this conflict lies the trend toward privatization of water and those who resist it.

Supporters of privatization argue that firms in the private sector are able to provide what had formerly been done by government better, more efficiently, and cheaper. They maintain that the track record of publicly maintained services, in this case providing safe and clean water, is not a good one. The private sector, because of competition between companies who want to provide the service, is said to be a better alternative. If one company does not do a good job, they argue, someone else who does can be hired.

Strongly supportive of the philosophy that competition in the private sector can provide services more efficiently and cheaply, the World Bank and International Monetary Fund have long forced potential borrowers to privatize public services like water as conditions for loans. Thus a growing number of countries have been forced to privatize the rights to water in order to receive badly needed loans. These loans are then packaged into what are called public-private partnerships. Millions of World Bank dollars are being used

to subsidize private firms, who bid for contracts to have the rights to offer water delivery services.

In the United States, deregulation is converting water into a commodity to be bought and sold to the highest bidder in areas of rapid population growth. In 1992, for the first time, large farmers and landowners were given the right to

sell their water to urban areas. Southern California cities and farmers were legally allowed to buy water from Northern California farmers, hoard it, and sell it later, when the price was higher.³ On the consumption end, the news is no better. Corporations take advantage of this market in water by buying precious water to use in their factories and disposing of contaminated waste water without having to pay for clean up. In Albuquerque in 1996, residents tore out their lawns as a water-

conserving measure, only to have large corporations like Intel increase their use. To add salt to their wounds, residents had to pay four times as much as Intel for water.

Under privatization’s rules, water is considered separate and discreet from the land on which it is found. Thus, the owner of the water can extract it, transport it great distances, and sell it at a profit far from the place where the water originated. This often results in water shortages in rural and farm areas, where the extraction occurred.

We see today how the contemporary “pharaohs” of the world have used the rules of the global economy to appropriate large shares of the world’s water so that people have to come to them to buy this necessity of life.

BIBLICAL AND THEOLOGICAL REFLECTION

Read Genesis: 41:25–37; 47:13–21

The story of Joseph and the famine gives us insight into how we understand what is going on around us. Although Joseph is considered one of the heroes of the faith in our Judeo-Christian heritage, let us consider this story from a different perspective.

Although the passage deals with food, it holds remarkable parallels with water in our day. Water, like food, is a basic

necessity for life, and therefore can be treated similarly. In the story, Joseph has endeared himself to Pharaoh because of his industry, guile, and loyalty. Pharaoh has a troubling dream and approaches Joseph to interpret it (Gen. 41:1–24). Joseph tells Pharaoh that the dream is intended to warn him of an impending seven-year famine. Joseph further interprets the dream to mean that Pharaoh is to store up grain against that crisis, and Pharaoh agrees to the plan (Gen. 41:25–37). The dream becomes reality, and in the midst of the subsequent famine, the Israelites are forced to come to Pharaoh for help. Joseph, on behalf of Pharaoh, uses the leverage he has gained by having the only food in the area, to buy all the land and make the Israelites slaves (Gen. 47).

This story gives us the backdrop for the bondage and oppression of the Israelites. It also provides the prelude to the freeing of the slaves and exodus. But it also can offer another insight. Consider what happens here. This story portrays how control of a basic necessity for life can provide unmitigated power over the lives of others. It shows how that power leads to the oppression of others. One can argue that Joseph just uses his own considerable intellectual resources, and the people who did not prepare just suffer the consequences for not being ready for possible disasters. However, such arguments run counter to our understanding of human compassion and love for the neighbor.

Seen from this perspective, the commodification of water holds remarkable parallels to the biblical story. We see today how the contemporary “pharaohs” of the world have used the rules of the global economy to appropriate large shares of the world’s water so that people have to come to them to buy this necessity of life. Just as Joseph extracted an unjust price for food, so corporations have been able to reap lucrative profits from selling what should be a human right—the access to adequate, clean, potable water to sustain life.

DISCUSSION AND REFLECTION

1. Is water a commodity or a basic necessity of life that should be guaranteed to all? Why?
2. Consider water stewardship. How can we better manage the consumption of water? Whose responsibility is it to lead in using water wisely?
3. Consider your own church. What are some ways water can be conserved better by your congregation? What about your community? City or town?

PRAYER

O fount of all life, we thank you for fresh, clean water. We pray for places where this basic element of life does not exist. Help us work for policies here and throughout our world, so that all may be assured of this basic need. Amen.

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1. As qtd. in Wanda Shiva, *Water Wars: Privatization, Pollution, and Profit* (Cambridge: South End Press, 2002), ix.

2. *Ibid.*

3. Maude Barlow and Tony Clark, *Blue Gold* (New York: New Press, 2002), 73–74.

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